

SENATE RECORD VOTE ANALYSIS

104th Congress
1st Session

Vote No. 189

May 24, 1995, 2:36 p.m.
Page S-7340 Temp. Record

BUDGET RESOLUTION/Federal Retirement

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1996-2002 . . . S. Con. Res. 13. Sarbanes amendment No. 1149.

ACTION: AMENDMENT REJECTED, 50-50

SYNOPSIS: As reported, S. Con. Res. 13, the fiscal year 1996 Concurrent Budget Resolution, will reduce projected spending over 7 years to balance the budget by fiscal year (FY) 2002 without increasing taxes. Savings that will accrue from lower debt service payments (an estimated \$170 billion) will be dedicated to a reserve fund, which may be used for tax reductions after enactment of laws to ensure a balanced budget. Highlights include the following: the rate of growth in Medicare will be slowed to 7.1 percent; Medicaid's rate of growth will be slowed to 5 percent and it will be transformed into a block grant program; the Commerce Department and more than 100 other Federal programs, agencies, and commissions will be eliminated; welfare and housing programs will be reformed; agriculture, energy, and transportation subsidies will be cut; foreign aid will be cut; defense spending will be cut and then allowed to increase back to its 1995 level; and Social Security will not be altered.

The Sarbanes amendment would increase budget authority and outlays over 7 years for direct spending under the Income Security function, and would direct the Finance Committee to increase revenue collections by a commensurate amount. It would also express the sense of the Senate that these changes are based on the assumption that the Federal Retirement programs will continue to calculate retirement benefits from the average of an employee's high 3 years of service instead of from an employee's high 5 years of service (as proposed in this resolution), and that this change will be paid for by closing the tax loophole that allows wealthy Americans to escape paying taxes by renouncing their citizenship.

The amendment was offered after all debate time had expired. However, some statements on amendments were added to the record or were made before the amendments were offered and before debate time had expired. Also, by unanimous consent, 1 minute of time was allowed on each amendment for explanatory statements before each vote.

Those favoring the amendment contended:

(See other side)

YEAS (50)			NAYS (50)			NOT VOTING (0)	
Republicans (5 or 9%)	Democrats (45 or 98%)		Republicans (49 or 91%)	Democrats (1 or 2%)		Republicans (0)	Democrats (0)
Campbell	Akaka	Inouye	Abraham	Hatfield	Exon		
Jeffords	Baucus	Johnston	Ashcroft	Helms			
Pressler	Biden	Kennedy	Bennett	Hutchison			
Shelby	Bingaman	Kerrey	Bond	Inhofe			
Warner	Boxer	Kerry	Brown	Kassebaum			
	Bradley	Kohl	Burns	Kempthorne			
	Breaux	Lautenberg	Chafee	Kyl			
	Bryan	Leahy	Coats	Lott			
	Bumpers	Levin	Cochran	Lugar			
	Byrd	Lieberman	Cohen	Mack			
	Conrad	Mikulski	Coverdell	McCain			
	Daschle	Moseley-Braun	Craig	McConnell			
	Dodd	Moynihan	D'Amato	Murkowski			
	Dorgan	Murray	DeWine	Nickles			
	Feingold	Nunn	Dole	Packwood			
	Feinstein	Pell	Domenici	Roth			
	Ford	Pryor	Faircloth	Santorum			
	Glenn	Reid	Frist	Simpson			
	Graham	Robb	Gorton	Smith			
	Harkin	Rockefeller	Gramm	Snowe			
	Heflin	Sarbanes	Grams	Specter			
	Hollings	Simon	Grassley	Stevens			
		Wellstone	Gregg	Thomas			
			Hatch	Thompson			
				Thurmond			

EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

The budget resolution numbers assume that the calculation of retirement benefits will be changed from the employee's highest 3-year average to the employee's highest 5-year average. This proposed change will reduce lifetime retirement benefits for Federal employees by 2 percent to 4 percent. On average, employees will lose \$27,000 over a lifetime. Changing the retirement rules in the middle of the game on Federal workers is an enormous breach of faith which we cannot countenance. Accordingly, we have proposed increasing the budget resolution spending numbers with the intention that this unjust assault on Federal retirement benefits be abandoned. To pay for this spending, we have ordered the Finance Committee to collect more in taxes, with the intention that it do so by eliminating the loophole in current U.S. tax law that allows wealthy Americans to escape the taxes they would otherwise owe by renouncing their U.S. citizenship. Dedicated Federal employees deserve better treatment; Americans who would abandon their country to escape their duties of citizenship, which include paying their fair share of taxes, deserve only censure. The Sarbanes amendment is meritorious, and we are thus pleased to vote for its adoption.

Those opposing the amendment contended:

Federal workers have done very well in the Senate's budget resolution. Unlike in the House resolution, workers will get their regular pay increases. Unlike in the House resolution, a 2.4 percent pension fund tax was not put on them. Further, it is our intention to work on some sort of grandfathering clause to phase in the new 5-year averaging. Our point is that in this extremely tight budget, in which numerous spending programs have been reduced below their baselines, have been frozen at current spending levels, or have been cut below current spending levels, Federal workers have been treated very generously. Our colleagues are not satisfied; they do not seem to think that efforts to balance the budget should require any lowering of spending on Federal employees.

The vote on this amendment will be close; perhaps the deciding factor will be that it would increase taxes to pay for its greater proposed spending. Senators must keep in mind that the assumptions behind budget resolution numbers do not need to be followed; only the numbers do. In other words, this amendment orders the Finance Committee to come up with a certain amount of revenue, but its assumption that it would do so by closing the millionaire tax loophole is not at all binding.

Our sympathies are with the proponents of this amendment, but in the final analysis our greatest priority must be to reduce spending to balance the budget. The Sarbanes amendment would work counter to this end, and should therefore be defeated.